

Xerox no more the iPhone of its day

Out of the Box

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WHICH COMPANY NAMES can you think of that have become a verb in the world's lexicon?

Google – as in “just google it” is one.

The only other example I can think of is Xerox, as in “Let’s xerox 10 copies of this.”

“Google” is still very much in use, but Xerox the company has just gone out of existence, being recently adsorbed into a joint venture with Fujifilm, although the verb “xerox” will probably continue to be widely used.

Future generations will perhaps not realize that the word “xerox” was not part of the English language, but an American company that once was considered a tech icon admired around the world.

In the pre-Xerox days, part of my childhood memories was of mimeographs, used in school to print examination papers.

These are produced by a machine with a drum on

which a stencil is affixed and then rolled to stamp out copies of the stencil.

Another childhood memory is of my engineer father producing copies of his technical drawings by placing them on top of carbon papers and putting them under the sun for an hour or so to make a copy.

After Xerox introduced its copying machine in 1959, it was not only a technological revolution, but also a business one.

Practices at business offices were changed dramatically.

The company, with its patent protections, enjoyed a monopoly. It was both admired and hugely profitable; indeed, it was the iPhone of its day.

Xerox was so profitable that it started its own research laboratory (as other monopolies like IBM, AT&T and Microsoft did) near Stanford, called the Palo Alto Research Center.

When I was a graduate student in computer science at Stanford, the name “Xerox PARC” was synonymous with leading-edge research.

It had the coolest experimental products (for example, the mouse, the graphical user interface, a personal computer called Alto), and the most talented researchers. I still vividly remember my first visit to PARC – the feeling was like being allowed to visit a shrine in computer science.

Legend has it that Steve Jobs got many of his ideas for the Macintosh after a visit to PARC.

But ultimately, Xerox suffered from its own success just like so many once dominant market leaders did, and it could not innovate fast enough in the face of disruptions brought on by the internet and smartphones.

People find it easier to send documents via the internet than via physical couriers, and to read them



Steve Jobs was inspired to develop Lisa, the first commercial computer with a graphical user interface, after a visit to Xerox's research center in California.

on screens rather than on paper, and to take a photo of it on a smartphone than to “xerox” it.

It did not capitalize on the treasure trove of research innovations coming out of PARC (but ironically others did).

Xerox's demise will be studied by business schools as a classic case of “death by failure to innovate.”

You may wonder why Fujifilm had not gone out of business like Kodak.

Apparently, making films is no longer its main business, as it has successfully branched out to other more profitable business such as cosmetics and medical equipment, using its expertise in chemical and imaging technology.

It followed the path of IBM and Microsoft, rather than Kodak.

The lesson from the demise of Xerox applies not only to companies, but also to individual careers and the economies of nations – or cities, in the case of Hong Kong.

As the saying goes, past accomplishments do not guarantee future success, and sitting on one's laurels while the world passes by is a sure way to become obsolete.

In these days of rapid technological advances and disruptions, the best way to continue to thrive, indeed to survive, is to be aware of new trends and to have the guts and determination to adapt.